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HOUSE BILL 1359

State of Washington 59th Legislature 2005 Regular Session

By Representatives Darneille, Jarrett, Grant, Appleton, Kirby, Walsh, Kagi, Pettigrew, Lovick, Lantz, Campbell, Fromhold, Haigh, Priest, Kessler, Hinkle, Buck, Ormsby, Upthegrove, Dickerson, McIntire, Chase, McDermott and Holmquist

Read first time 01/21/2005. Referred to Committee on Judiciary.

- 1 AN ACT Relating to the interest rate on legal financial obligations; and amending RCW 10.82.090.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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- 4 **Sec. 1.** RCW 10.82.090 and 2004 c 121 s 1 are each amended to read 5 as follows:
 - (1) Except as provided in subsection (2) of this section, financial obligations imposed in a judgment shall bear interest from the date of the judgment until payment, at the rate applicable to ((civil)) tort judgments as provided for in RCW 4.56.110(3). All nonrestitution interest retained by the court shall be split twenty-five percent to the state treasurer for deposit in the public safety and education account as provided in RCW 43.08.250, twenty-five percent to the state treasurer for deposit in the judicial information system account as provided in RCW 2.68.020, twenty-five percent to the county current expense fund, and twenty-five percent to the county current expense fund to fund local courts. The rate of interest specified in this subsection applies to the accrual of interest as of the date of entry of judgment with respect to a judgment that is entered on or after the effective date of this act, and applies to the accrual of interest as

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of the effective date of this act with respect to a judgment that was entered before the effective date of this act and is still accruing interest on the effective date of this act.

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(2) The court may, on motion by the offender, following the 4 offender's release from total confinement, reduce or waive the interest 5 on legal financial obligations levied as a result of a criminal 6 The court may reduce or waive the interest only as an 7 incentive for the offender to meet his or her legal financial 8 obligations. The court may not waive the interest on the restitution 9 portion of the legal financial obligation and may only reduce the 10 interest on the restitution portion of the legal financial obligation 11 12 if the principal of the restitution has been paid in full. 13 offender must show that he or she has personally made a good faith effort to pay, that the interest accrual is causing a significant 14 15 hardship, and that he or she will be unable to pay the principal and interest in full and that reduction or waiver of the interest will 16 likely enable the offender to pay the full principal and any remaining 17 interest thereon. For purposes of this section, "good faith effort" 18 means that the offender has either (a) paid the principal amount in 19 full; or (b) made twenty-four consecutive monthly payments, excluding 20 21 any payments mandatorily deducted by the department of corrections, on 22 his or her legal financial obligations under his or her payment agreement with the court. The court may grant the motion, establish a 23 24 payment schedule, and retain jurisdiction over the offender for 25 purposes of reviewing and revising the reduction or waiver of interest. 26 This section applies to persons convicted as adults or in juvenile 27 court.

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